

## **LICENSE PLATE AUCTION GROUP (LPAG)**

Colorado Department of Revenue  
1881 Pierce St., Lakewood Colorado  
June 30, 2014

### **Minutes to the Meeting**

Members in Attendance: Bobby Juchem, Maren Rubino, Rich Medina, Peter Pike, Mark Simon, Bob Gall, Ryan Carson, TH Mack Sr. via telephone, Gina Robinson via telephone.

Guests in Attendance: Chris Hochmuth – DOR, Dylan Ikenouye – DOR via telephone, LeeAnn Morrill – Attorney General’s Office via telephone, Marty Zimmerman Stephanie Ricker, Kate Miller and Aubrey Cornelius– all from Zim Consulting via telephone via telephone, and Kit Sage.  
Denis Dunsmoor—DOC and Saskia Young – DOR joined the meeting late.

### **CONVENE:**

- Meeting was called to order at 10:00 a.m.
- The minutes for June 16 were not yet available for approval and will be held over to the next meeting. Also for the next meeting, minutes from June 4<sup>th</sup> and the 9<sup>th</sup> (both regular and Executive sessions).

### **Cost of Plate -- DOC:**

There was a miscommunication about the time of the meeting and Dennis Dunsmoor, from the Department of Corrections is on his way.

### **Executive Session:**

It was decided that the group should hear from Zim Consulting before the Executive Session.

### **Zim Consulting’s Update:**

- ❧ Marty sent out a document regarding the changes he was requesting on the 8/21 event.
- ❧ Zim Consulting, et. al. recommends that the following configurations be the ones used for the 8/21 event:
  - BRONCO
  - GOLFER
  - 5280
  - 13
- ❧ Gina asked about what the auction amounts might be. Marty said it was unclear, it would depend on the marketing and how well the message to the public was delivered. Marty did note that the \$1.5 million amount that was the hope for this event originally is no longer feasible as the process to get here had been taken so much time. He believed that this kick-off event could bring around \$100,000 for these 4 particular configurations. Gina wanted to be

sure the amount would cover the costs of the event/auction. Marty was confident that the amount raised would be more than enough.

- ❧ Rich asked if these plates were available. Marty said that these plates were on the “expired” list of plates that had been expired for more than 13 months. Maren wanted to know if these plates had been reserved with DOR for auction. Dylan responded that 5280 and 13 were reserved and that BRONCO and GOLFER, while expired, had not been reserved for auction.
- ❧ Marty then asked to reserve all 18,000 configurations that were on the “expired” list. The group discussed Marty’s proposal, the Pro’s and Con’s, at some length. This discussion also involved discussion of Rule 36 having been on the agenda and whether the group and the ability/authority to reserve plates off of the “expired” list as the Rule had not proceeded further.
- ❧ TH moved that LPAG reserve all the configurations on the Expired list (18,000+). Before a 2<sup>nd</sup> was made, the question was asked how long it would take the DOR staff to reserve the 18,000 plates (as it is a manual process). Maren wasn’t sure; Dylan was able to respond that it was a 3 min./configuration. Bobby did very quick math and pointed out that it would take 112.5, full 8 hour days for DOR to reserve all 18,000+ plates. Maren pointed out, that at this point in time, without the Rule, if the two people who owned GOLFER and BRONCO came into their respective counties and asked, they could re-register their plates and LPAG could not stop them from doing so. Maren agreed that she would allow BRONCO and GOLFER to be reserved today to “start” the list and that the balance of the list be compiled to be submitted to the Department by the next meeting (7/9). The group agreed to go through the list and highlight the ones they really wanted and to have their recommendations to Marty by 7/8. Marty asked about the data showing the number of times a particular configuration was applied for and rejected. There was a general impression that it had already been sent. Marty insisted he never got it and had been looking for it for months. Maren promised to send it out right away, but warned him that it was a HUGE file. TH insisted that his motion go forward with his motion for the 18,000+ reservations. Discussions ensued regarding how valuable these 18,000 plates may or may not be. TH amended his motion to be: “That we make inroads to absorbing as many of the 18,000 as we deem feasible and sellable or auctionable, but the list that Marty and Mark have already identified, I make a motion that we immediately reserve those right now.” Rich did not understand the motion and asked for clarification. Bobby paraphrased it as being this: “Whatever list Marty and Mark put together, which is between 1,800 and 2,000 is reserved immediately, with the understanding that over the next couple of months or whatever the remaining 18,000 get entered into the system.” TH confirmed this paraphrasing. Peter Pike 2<sup>nd</sup> the motion. Maren re-stated that she was willing to reserve the four previously mention configurations to start the list, hold that list open until July 28<sup>th</sup> meeting to get the balance of the 18,000 that LPAG wanted to reserve, and that would constitute the list for this 6 month period, which completely different that working the list over several months as the motion indicates. Mark wanted to offer Maren’s statement as a substitute motion. TH refused to withdraw his motion or amend it further. Further discussion ensued. Bobby called the question:
  - Gina – Yes
  - TH – Yes
  - Peter Pike – Yes
  - Maren – No
  - Rich – No

- Ryan – No
- Bob Gall – No
- Mark – No
- Bobby Juchem – No
- Motion failed

**[Due to technical difficulties the audio portion of the recording cut out for 1:41 (57:34 to 59:15).]**

...Bob 2<sup>nd</sup> the Motion. Gina noted that she had lost her internet connection as well and asked for the Motion to be restated.

The motion was made that the 4 plates that Marty asked for be reserved for auction immediately, at the next meeting of LPAG Marty will submit any additional plates, after having reviewed the list of how often certain plates were applied for, to complete the list for this “round” of the 6 month submission. Any subsequent requests would be considered in the next 6 month submission. Bobby called for the vote:

- Gina – Yes
- TH – Yes
- Peter Pike – Yes
- Bobby Juchem – Yes
- Maren – Yes
- Rich – Yes
- Ryan – Yes
- Bob – Yes
- Mark – Yes
- Motion passed.

- Stephanie reported on the venue: Brown Palace in the Ballroom or History Colorado in the Anschutz/Hamilton Hal, are the two being considered, 6-8pm. Both venues seat the same number of people, are excited to have LPAG and are looking for a signed contract and date.
  - Brown Palace
    - \$7,500 minimum for food and beverage
    - 22% Service charge & 8% Tax
    - Room is free with linen, as long as minimum food and beverage is met.
    - \$1/water \$10/wine \$150/domestic keg \$225/premium keg corkage fees (for donated alcohol)
    - \$12 valet (discounted-but only choice)
  - History Colorado
    - \$5,500 minimum for food and beverage
    - \$3,200 for room rental
    - \$15/case of beer corkage fees
    - Art museum parking, street parking (metered) etc.
    - Linen charge
  - Stephanie’s recommendation to the group was for History Colorado. She also stated that the venue must be picked today in order to finish getting the details of invitations,

- programs, donations, etc. completed. There was some general discussion about the Pro's and Con's of each venue.
- The LPAG focused on the menu and the cost of what it would be. TH insisted on a line item menu and asked if it could be made available to the group following the Executive Session. Stephanie believed she could have this accomplished.
  - Kate and Aubrey next discussed the marketing and video:
    - 3 videos—one was an interview with Jamie from CCDA that went very well. They will be scheduling TH's interview later today. For the 3<sup>rd</sup> interview they are looking for a female to interview and were wondering if any of the group had a suggestion. Videos would be put on the website and on all of the social media. These videos will talk about the LPAG mission and how people with disabilities will benefit from the funds raised.
    - Infographics piece is moving forward and has been placed into the magazine ads (Colorado Expressions and 5280). The larger Infographics will be finished and will be published on the website and other marketing pieces.
    - The event has been pitched to media and will be doing follow up with all of these people once all the details (place) are nailed down.
    - All of the social media channels (Facebook and Twitter) have been claimed and they should go live next Monday (July 7).

Peter noted that he just found out the Governor had a conflict with the event and will not be able to make it.

## **Dennis Dunsmoor**

The group had several questions he wanted to ask:

Q): Mark asked about what it would cost to take, what is normally any digital plate and to emboss it instead.

A): If it's a normally embossed plate (green and white) not a problem. If it's one of the digital plates, it's a problem because of the graphics as they would have to be re-designed to accommodate the embossing distortions. Also the dyes may have to be re-designed. These costs are would be extensive (\$360/character). Making these plates is entirely possible but expensive.

Q): Mark asked about what the up-front costs would be, how much per plate to have it produced, how long it will take, and what the warranty would be on the plates.

A): Embossing the plate "as is" makes it harder to honor that warranty, but Dennis would figure out a way to do that by producing a better product.

Q): Mark asked about the retired backgrounds (i.e. Centennial plate background) and what the costs would be.

A): Those backgrounds do not exist digitally, but through DOC's collection they could manage to get a digital recreation made. Usually it's \$200/design. Dennis wanted to make sure that the group understood that when the legislature authorizes a plate there is a minimum of 3,000 plates for a reason. It is not cost effective/productive to design and produce 1 plate. It would be very expensive.

This lead to a discussion of what setup fees LPAG could charge and or pay and when (does the 2<sup>nd</sup> guy have to pay the same design costs as the first guy, etc.)

Q): Rich asked if DOC had the ability to be a service provider in that fashion.

A): Dennis said he'd have to make the blank and graphic, produce inventory and store it for future use as he would be unable to tear is equipment down and rebuild for one plate. Maren noted that that is exactly what he'd have to do, since no one knows what the auction winner will actually want.

A set-up/breakdown fee would have to be charged.

Q): Could DOC use an outside vendor?

A): DOC would shy away from this because of the control of the various security features involved in each plate.

Q): Rich asked what the turn around on personalized plates is today.

A): Dennis noted that it has been as short as 11 days; Maren added that the public is generally told 30 days.

Q): Unique LPAG validation sticker or adding a LPAG logo to existing plate stock/types.

A): Dennis said he could produce any design they wanted/needed and keep an inventory based on that product. Dennis noted that with the current plate inventory (200+ different types) that in this discussion of adding a logo to those changes his inventory to possibly as much as 900 different types as every change to a plate type makes a new plate type.

Q): Bob asked if it would be easier to replace the current month tab with a reverse print LPAG month tab.

A): Dennis said he could do such a thing, he'd have to work through some quality issues, but it could be done, or just add a 3<sup>rd</sup> LPAG sticker. Dennis went on further to say that by printing the logo in the graphic it becomes far more secure than adding a sticker.

Q): Maren asked if law enforcement would care if the plate was issued normally or through the LPAG.

A): Bobby answered no. They look at year and then month and matchup registration but coming out of LPAG would be fairly irrelevant.

Comment): Kit commented/asked about embossing green & white plates only as embossing all the others was expensive. He also suggested that retired backgrounds should be addressed and limited very quickly in the beginning by LPAG to keep the costs down.

Q): Maren asked Dennis to clarify some things. She noted that all personalized plates are digital (screened) including standard green and white. If a standard green and white, personalized plate was to be embossed rather than screened, would new dyes have to be produced?

A): Dennis said that in that case no, as the dyes/graphics for standard green and white plates are already set for screening or embossing.

Comment): Kit noted, again that, as the only plates being embossed now are the standard green and white and designer plates, that those be the only style that LPAG authorized for embossing and all other specialty plates continue to be screened and flat.

A general discussion ensued regarding the history of the various graphics and when various plates were or weren't embossed.

Bobby thanked Dennis for his help in answering the group's questions.

Rich agreed with Kit's suggestion.

Bobby asked LeeAnn if an Executive Session was still required, as he didn't believe he'd heard anything requiring one. LeeAnn said she had an update on the CCDA agreement and the Sole Source funding. LeeAnn didn't believe the update was really legal advice and could take place in an open session.

Mark asked about an update on the Patent. LeeAnn did not have anything newer to present on this. She did want to see some information from Hand-Bid and Marty put her in contact with them.

Marty added that Stephanie was able to complete an overview of the menus; it was being emailed to the Group via Chris and Maren for review.

Peter wanted to confirm the decision on the 4 plates and on the venue. It was confirmed that a decision was made on the plates and that the venue decisions are ongoing in the next part of this meeting.

Peter then wanted to confirm what Maren had said, that before the auction winner could register BRONCO, Rule 36 would need to be adopted by the Department. Maren confirmed that this needed to be done prior to the Auction. Maren said it could be done as an "Emergency" rule but she needed LPAG to get the group to approve it. Peter said he was freaked out as he didn't believe we had enough time to get it done and hold the Auction.

#### **Adjournment:**

Bobby held that this meeting had run over its time and adjourned it so that the Sustainability meeting could take place, and that Peter's concerns would be the first item on that agenda.

The meeting adjourned at 12:03p.m.

## **Sustainability**

Meeting convened at 12:09pm

Bobby asked if there was a reason to have ended the first meeting to come to this 2<sup>nd</sup> meeting or if they should just run 3 hours. Also he believed that the group needed to function in a more efficient manner than what had previously taken place. That the LPAG needed to stop micro-managing the event and let Zim Consulting do the job they were hired to do. TH and Gina agreed.

Bobby requested that the entire group make a concerted effort to make all of the remaining meetings until the event (vacation or not) so as to not spend time bringing everyone back up to speed. Bob Gall agreed.

Discussion about the 3 hour meeting ensued. Maren suggested that the regular LPAG meeting be changed from 10-12pm to 9-12 am.

- ☐ July 9<sup>th</sup> meeting will be conference call only, from 12-1pm
- ☐ July 28<sup>th</sup> meeting 9-12pm in the Boards and Conference Room @ Pierce
- ☐ August 13<sup>th</sup> meeting will be conference call only, 12-2pm

It was agreed that the July 9<sup>th</sup> meeting would be solely for the approval of Rule 36 as an “emergency” rule for DOR and updates. Maren will re-distribute the rule for review and Mark will accept any comments the members of the Group have regarding the Rule.

Maren finalized the July 9<sup>th</sup> agenda and the LPAG approved.

## **Zim Consulting:**

Zim presented a revised budget comparison between the two venues and noted the differences as seen below:

	Brown Palace		History Colorado	
<b>Food &amp; Beverage Minimum</b>		F&B Minimum: \$7,500		F&B Minimum: \$5,500
<b>Rent</b>	\$ -		\$ 3,200.00	
<b>Food</b>	\$ 9,125.00	House Smoked Whole Salmon Baked in Salt Crust; Artisan Cheese Display; Tuscan Grilled & Fire Roasted Vegetables; Antipasto Display	\$ 3,600.00	Stationary Hors D'oeuvres Menu: Nacho Grande station; Smashed Potato Bar; Denver Market; Bruschetta Station; Mediterranean Station
<b>Alcohol</b>	\$ 5,600.00	2 hour reception unlimited bar (Signature Brands Package at \$28/p)	\$ 3,600.00	2 hour reception unlimited bar (House Bar Package at \$18/p)
<b>Parking</b>	\$ 1,800.00	\$12/person valet (discounted) (used 150 cars here)	\$ 600.00	Parking 2-3 hours \$4/car - (used 150 cars here)
<b>Linens</b>	\$ -		\$ 500.00	
	\$ 16,525.00		\$ 11,500.00	
	Brown Palace		History Colorado	
<b>Food &amp; Beverage Minimum</b>		F&B Minimum: \$7,500		F&B Minimum: \$5,500
<b>Rent</b>	\$ -		\$ 3,200.00	
<b>Food</b>	\$ 9,125.00	House Smoked Whole Salmon Baked in Salt Crust; Artisan Cheese Display; Tuscan Grilled & Fire Roasted Vegetables; Antipasto Display	\$ 3,600.00	Stationary Hors D'oeuvres Menu: Nacho Grande station; Smashed Potato Bar; Denver Market; Bruschetta Station; Mediterranean Station
<b>CORKAGE FEES</b>	\$ 950.00		\$ 330.00	
<b>Parking</b>	\$ 1,800.00	\$12/person valet (discounted) (used 150 cars here)	\$ 600.00	Parking 2-3 hours \$4/car - (used 150 cars here)
<b>Linens</b>	\$ -		\$ 500.00	
	\$ 11,875.00		\$ 8,230.00	
		based on 200 attendees		
		not including taxes & fees		

Zim Consulting recommends History Colorado.

Mark moved to accept History Colorado as the Venue. Gina 2<sup>nd</sup>. The Motion passed.

Mark moved that BRONCO, GOLFER, 5280, and 13 be the four plates offered for auction at the event. 2<sup>nd</sup> by TH. Motion passed.

TH wanted to make sure that the group understands that there were going to be additional services and gratuities and taxes so there wouldn't be sticker shock when the final bills were presented.

At this point Marty (and presumably the balance of his staff) dropped off of the call.



**LeeAnn:**

LeeAnn discussed the disposition of the agreement with Colorado Cross Disability Coalition (CCDC). Rather than have the agreement proceed as had been originally outlined and detailed in previous meetings (and minutes) with guarantees, contracts, and reimbursements, the new concept would be the Group to contract directly with the various vendors via Purchase Order and with a separate Memo of Understanding with CCDC so that CCDC go do fundraising and cost offsetting and still donate it to the Group and continue to be a premier sponsor of the event. CCDC would not be doing any contracting directly with the vendors. Instead the Groups PO's would require the vendors to work closely with CCDC and Zim Consulting in the planning and execution of the event.

Gina brought up that an additional plus is that LPAG becomes tax exempt to both groups.

This option still needs to be presented to CCDC, but does eliminate the issues with doing Sole Source procurement, which still requires "posting", could still be challenged, still requires state contracting and approval with the Controller's office.

P.O.'s would be run through the Governor's office.

It was moved and 2<sup>nd</sup> to proceed with this option that LeeAnn and laid-out above. The motion carried.

LeeAnn said she'd reach out to CCDC and Gina and Zach would reach out to the Governor's office.

LeeAnn, having nothing further, dropped off of the call.

**Mark Simon:**

Mark had not legislative update to give.

For Legislative requests for the next session, Mark had the following on his list:

- Authority to impose fees for add-ons for things such (as retired background) to cover costs and make some money.
- Reimbursement – Mark noted that he had significant expense with regards to LPAG, travel, consulting, etc.
- Other statutory changes that would suggest themselves as a result of the auction/event.

Bobby wanted to be sure that the LPAG board reviewed and voted on these items before proceeding to the Legislature and asked Mark to put this all in writing for presentation before proceeding further.

Mark said he understood but need to get a Bill reserved now, as it was easier to get one in July than it was in November. Bobby said he was not comfortable with Mark proceeding until directed to do so by the LPAG Board. Mark said he wasn't requesting specific legislation at this point.

Maren agreed she wanted to see it in writing prior to Mark proceeding.

Bob moved LPAG pay, on a case by case basis, a consultant fee to those individuals who have made significant contributions to the LPAG mission, excluding himself.

Bobby, while acknowledging Bob's thoughtfulness, was concerned that the Department of Revenue and the Colorado State Patrol had donated substantial resources, research and man-hours to LPAG over the last several years and this might lead the LPAG down a slippery slope.

Bobby tabled this until the July 28<sup>th</sup> meeting, until it could be fully vetted.

### **Perpetuity**

This has been tabled to the July 29<sup>th</sup> meeting.

Mark moved that the regular monthly meeting schedule be changed to 9 a.m. to Noon. Maren 2<sup>nd</sup> the motion. Motion carried.

Maren will adjust all of the meeting invites and notices appropriately.

Peter Pike asked for clarification as to what the LPAG is offering to its potential buyers (specifically what type and style of plate). Rich liked Kit's recommendation, as did Maren – including the designer (Purple Mountain) plate. Bobby wanted to have the costs available before LPAG got carried away.

For the purposes of this Auction, for the 4 plates just voted on, the only embossing option will be for green and white plates or the designer plates (described above). Any other plate choices would be based on those currently available through the DOR that are currently personalizable. Mark so moved, Maren 2<sup>nd</sup>. Motion carried.

### **Public Comments:**

Peter Pike then proceeded with his usual reminders of why LPAG was here and the time and effort people are putting into this.

Meeting adjourned at 1:00pm

The next special meeting of LPAG will be July 9<sup>th</sup> via teleconference @ 12 noon.

Respectfully submitted  
Chris Hochmuth  
Administrative Services Supervisor  
Title and Registration Sections  
Department of Revenue